

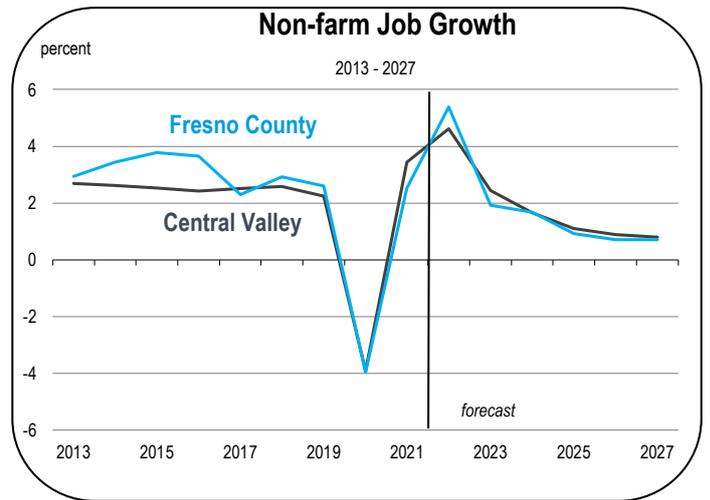
Fresno County Economic Forecast

Forecast Summary

- Fresno gained 8,800 jobs in 2021, recouping approximately half of the jobs lost during 2020. Employment should surpass pre-pandemic levels during 2022.
- The recovery in leisure and hospitality employment has been slow in Fresno County and across the inland counties of California. Reinstatement of lost jobs has hastened in the second half of 2022.
- The unemployment rate had declined to a record low of 6.1 percent in 2022.
- Net in-migration is forecast to rise sharply, and this will hasten the County's population growth over the next 5 years.
- New development is a principal engine of growth for the County's economy.
- Professional services employment which accounts for 9.5 percent of total employment today rises to 10 percent by 2025, and 11 percent by 2050.

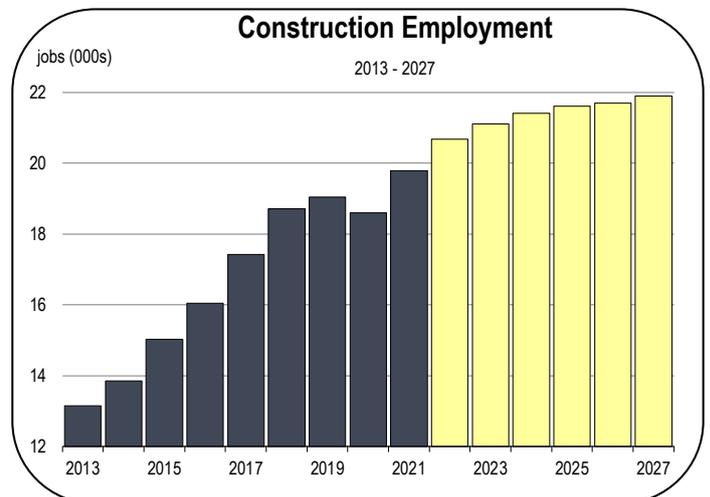
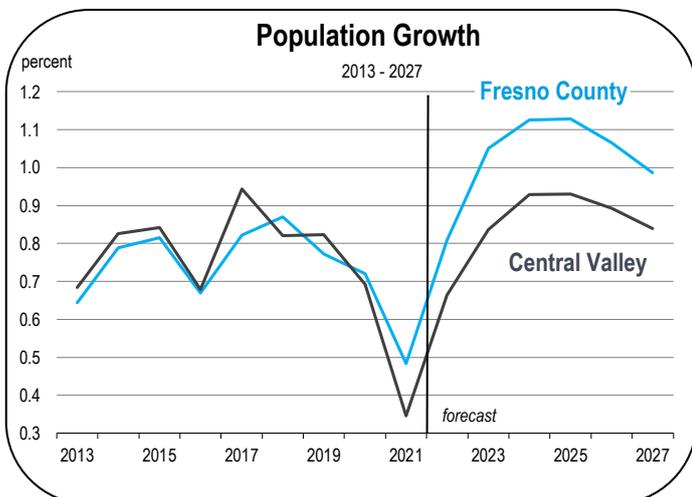
Job Growth

- Total employment in Fresno County will grow by 5.4 percent in 2022.
- Between 2023 and 2027, job growth will average 2.1 percent.

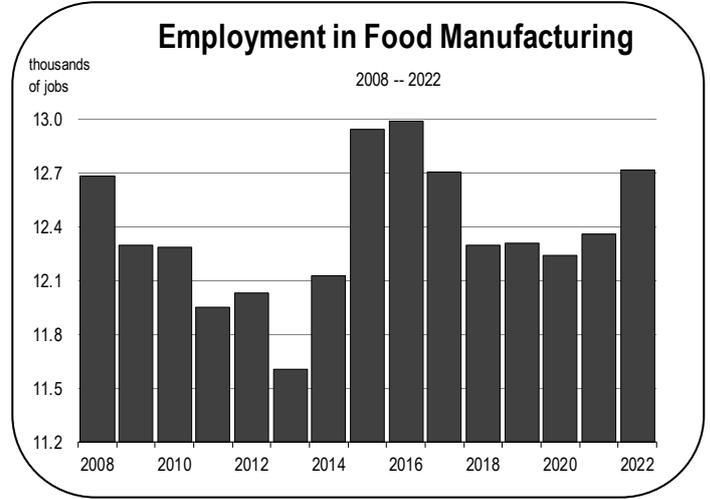
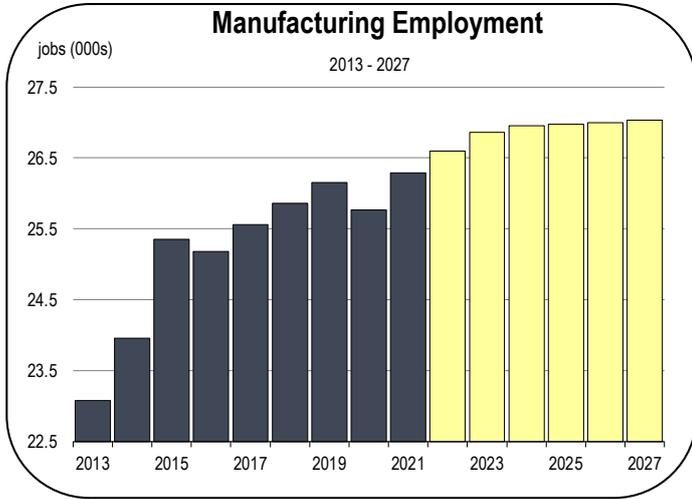


Construction Employment

- The construction workforce in the county nearly doubled in size since 2012.
- The pandemic momentarily interrupted this growth trend but by the end of 2021 all construction jobs had been restored.
- Over the next 5 years, thousands of new homes will be started and completed throughout Fresno County. Employment within the construction trades is forecast to expand through 2025 and beyond.



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Manufacturing Employment

- 65 percent of total manufacturing employment is in non-durables, largely food processing.
- Major employers include Foster Farms, ConAgra, Cargil, Wawona Frozen Foods, Campbell’s Foods and Tofuji.
- Mild growth in manufacturing is forecast over the next 5 years, though longer term, a contraction is likely due to robotics and other advances in technology.

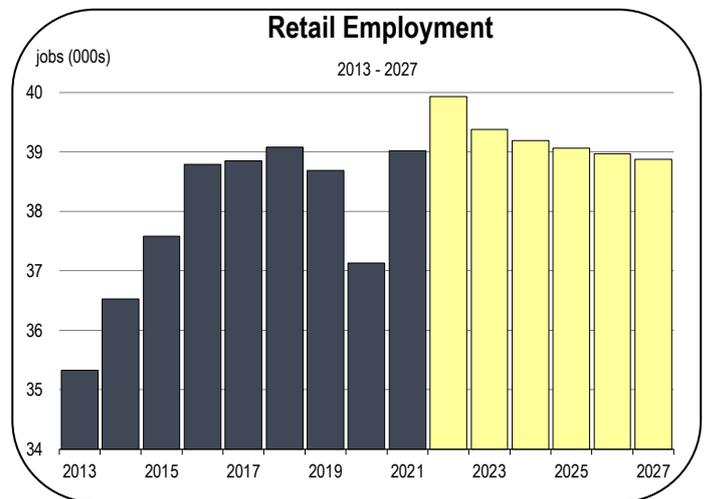
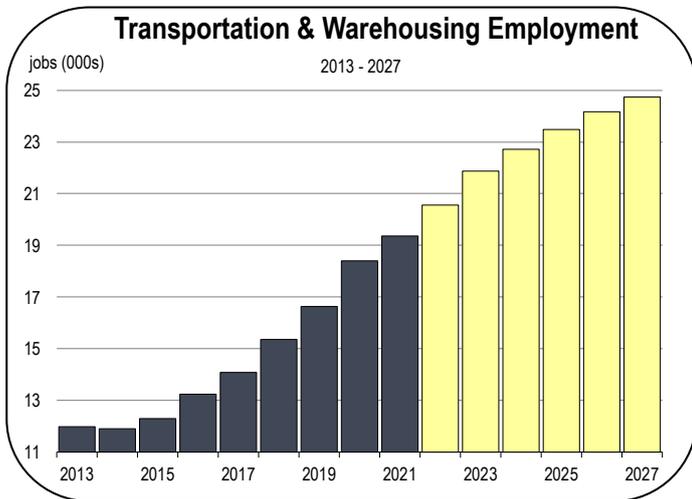
Transportation and Warehousing Employment

- Most transportation jobs in Fresno County are in trucking and warehousing, where firms deliver goods to and from businesses and store these goods in logistics facilities.

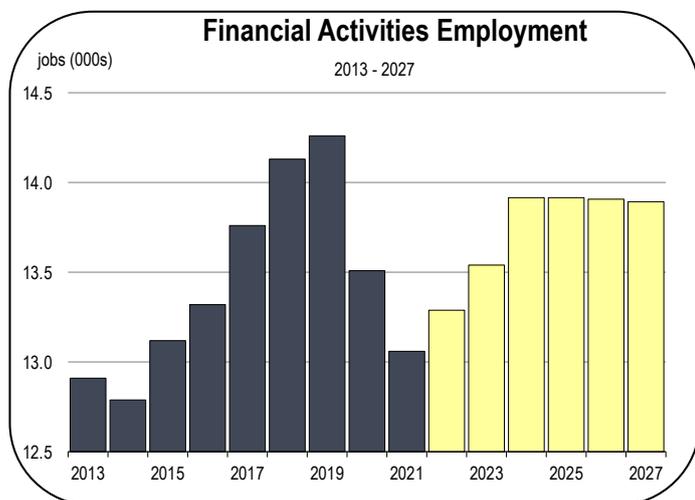
- Job growth in trucking and warehousing has been exceptionally rapid as national and international firms have built new logistics facilities in the county.
- In November 2022, Amazon opened a brand new 184,000 square foot “delivery station” in Fresno. The facility will employ 545 workers and operate 24/7. This is the second Amazon Facility. The first opened in 2018 and contains a massive 855,000 square feet.

Retail Trade Employment

- Retail jobs that were lost with the economic shutdowns during 2020 were recovered in 2021, but the substitution by consumers to purchase goods online over local retail stores is creating the disruption in the retail trade labor market.
- Employment at local stores is susceptible to consolidation due to automation and the substitution of fewer but larger facilities for the many smaller operations that have dominated the retail landscape.



Fresno County Economic Forecast

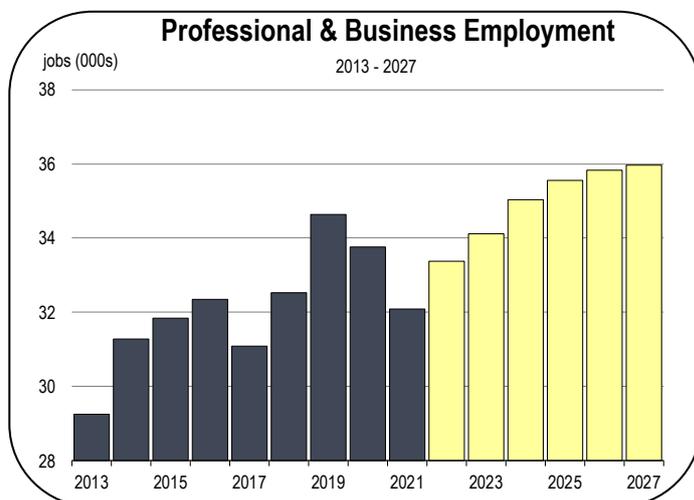


Financial Activities Employment

- Aetna is one of the largest employers in the County, with over 1,000 workers located in a single office building on Shaw Avenue in the City of Fresno. This is the only service operations center for Aetna in California.
- Banks and real estate firms each employ 3,000 to 4,000 workers in the County.
- In 2021, employment in the sector contracted due to banks consolidating their employees. Real estate firms increased employment, but not enough to offset sector-wide losses.
- Between 2022 and 2027, jobs in real estate will be created but no net job gain is forecast for the banking sector.

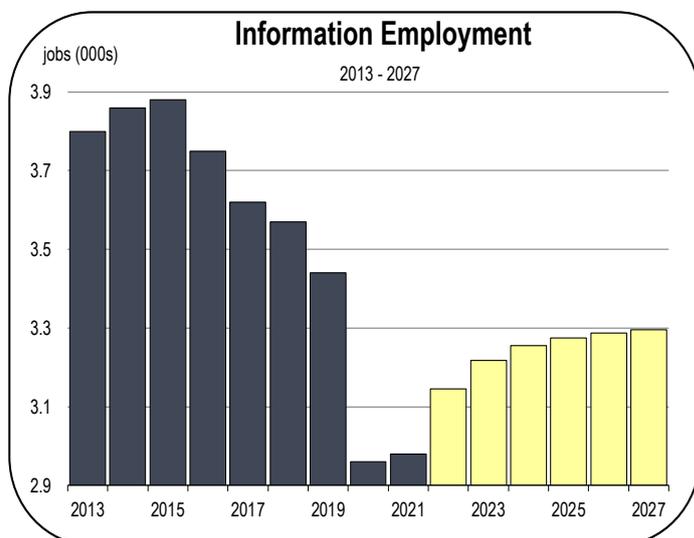
Professional and Business Services Employment

- The professional and business services industry has a diverse array of subsectors, each fared differently during 2021 and 2022.
- Administrative service companies decreased their headcounts by approximately 500 workers during 2021, but employment rebounded sharply in 2022, rising by an estimated 1,200 jobs.
- Employment in management of companies and organizations reached its highest staffing levels since 2008, with meaningful job additions in 2021 and 2022.
- Professional services represent many of the technology services companies that provide design and consulting services to high tech product manufacturers both domestically and internationally. A third of all jobs in the Professional Services Sector is represented by higher paying professional or technology jobs.

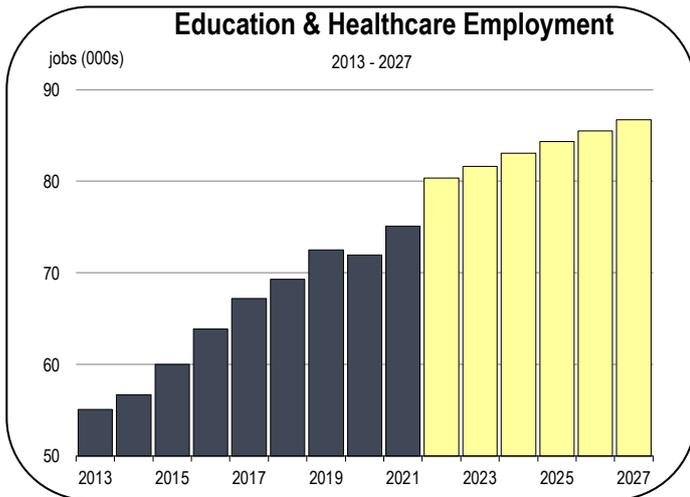


Information Employment

- In Fresno County, the information sector is largely comprised of radio and TV broadcasting, movie theaters, and telecommunications companies like Comcast.
- The decline in job opportunities in information is the consequence of changing technologies that have resulted in downsizing the domestic telecommunications industry, cable and subscription programming, libraries, movie theaters, book, newspaper, and periodical publishing.
- This is no less true for the Fresno information market. Employment growth will remain in some radio, TV, and video production, with small numbers of jobs also created in software publishing and data/Internet services.



Fresno County Economic Forecast



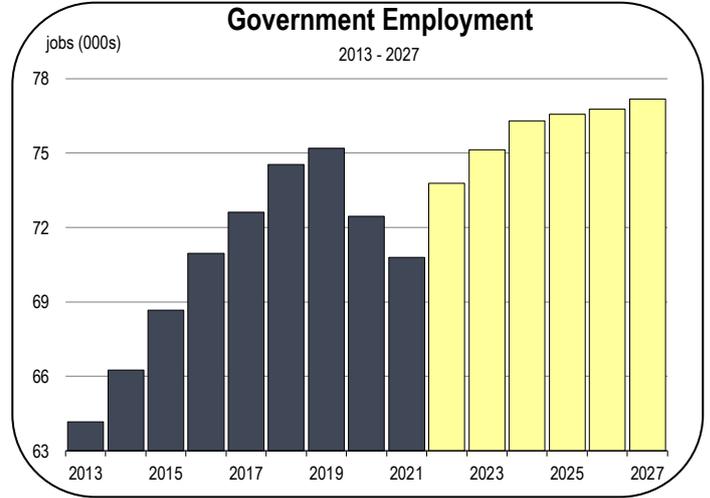
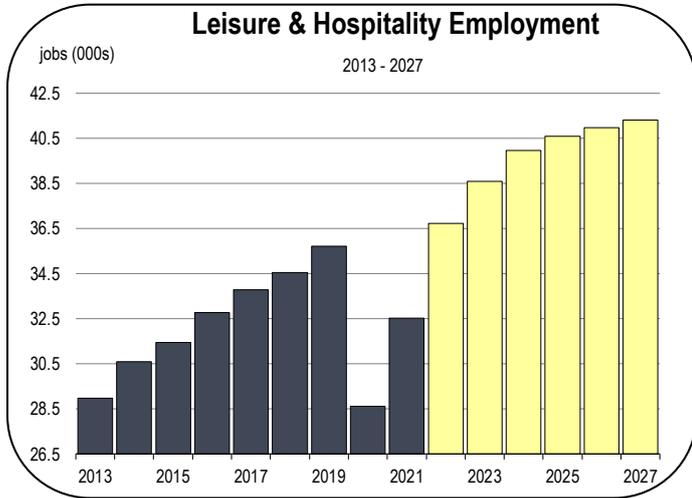
Private Education and Healthcare Employment

- Healthcare experienced minimal growth during 2021, and was relatively unaffected during the pandemic recession.
- The largest healthcare providers in the County include:
 - Children’s Hospital Central California
 - Community Medical Center
 - St. Agnes Medical Center
 - Kaiser Permanente
- Healthcare services will remain in steady demand over the forecast and for the indefinite future. This is especially true for a County like Fresno where population growth will outpace general growth in the state. Healthcare will create an estimated 10,400 jobs between 2022 and 2027.



St. Agnes Medical Center

Fresno County Economic Forecast



Leisure and Hospitality Employment

- Leisure and hospitality employment recovered approximately 4,000 jobs in 2021. Employment in the sector is expected to return to pre-pandemic levels by 2023.
- On an annual average basis, 3,000 jobs were added in restaurants and bars during 2021.
- Leisure and hospitality is on pace to create another 4,000 jobs in 2022, due to a surge in travel, dining, drinking, and recreation throughout Fresno County and California.
- A complete recovery of jobs lost in 2020 was reached in 2022. Population growth in the county will continue to maintain demand pressure for jobs in recreation and leisure services through the current decade.

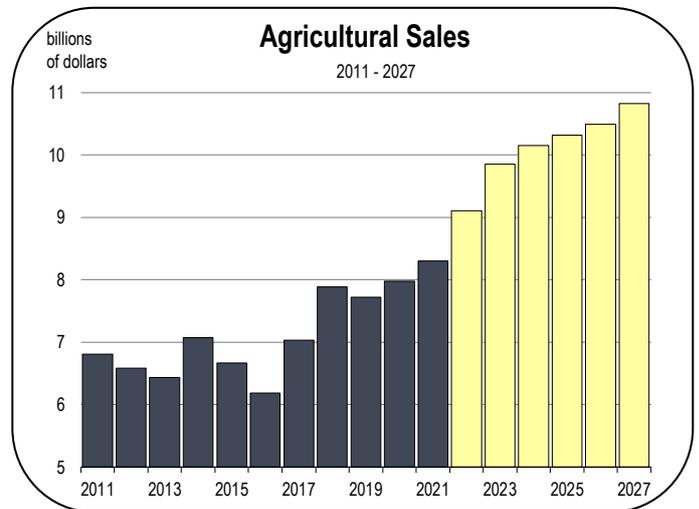
Government Employment

- Education represents a principal public sector job creator in Fresno County. Among the largest employers in the County are:
 - California State University, Fresno
 - Central Unified School District
 - Clovis Unified School District
 - Fresno County Office of Education
 - Fresno Unified School District
 - State Center Community College District

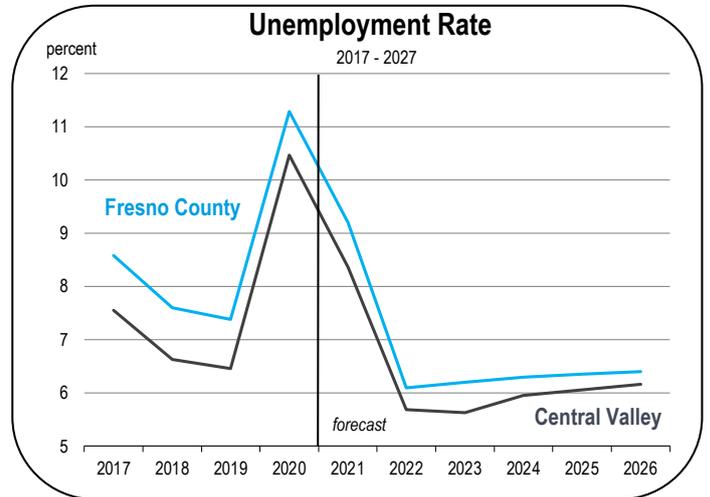
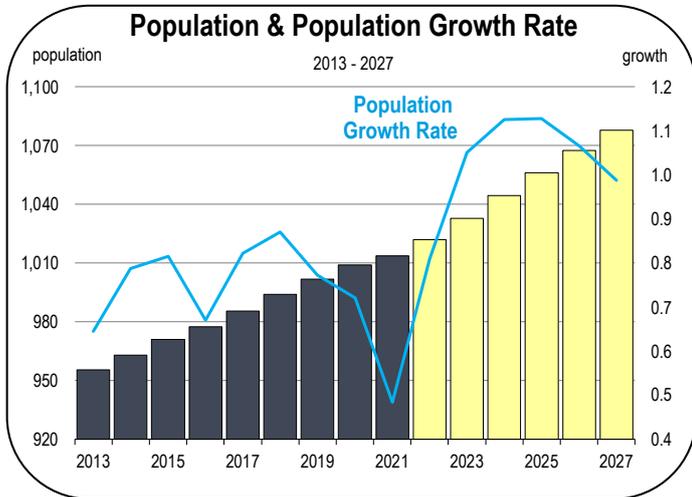
- Government employment is expected to increase by 2,500 jobs in 2022. A full recovery of employment is expected in 2023, mostly from the K-12 school systems.

Agriculture

- The Farm sector has entirely recovered from the 2020 recession.
- Though employment in farming had generally declined over time, it still represents 10 percent of total employment in the County. Minimal job growth is forecast because labor replacing technologies are now dominating many of the farming operations in California.



Fresno County Economic Forecast



- Crop values are forecast to continue to expand in Fresno County over the next several years.
- Almonds, pistachios, and grapes are the top crop values in Fresno County.
- Chickens and milk are also important farm products that generate significant sales for the farming community of Fresno County.

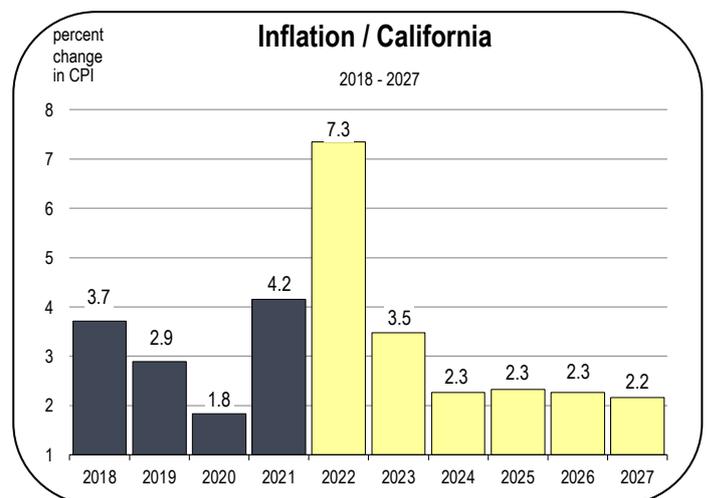
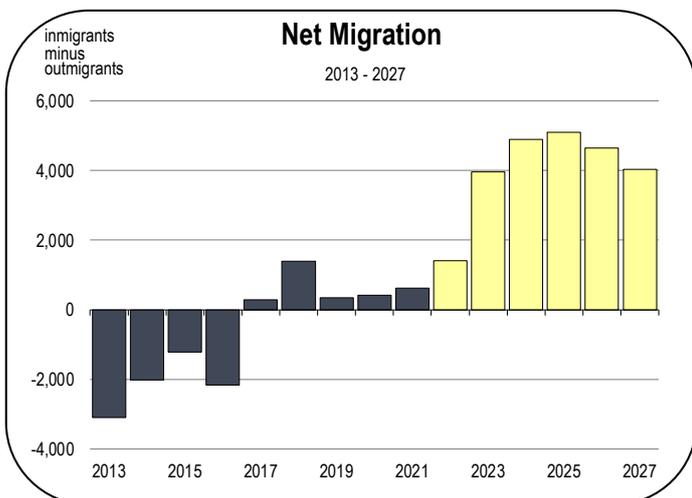
- An average of 4,000 net migrants are expected to move into Fresno County each year between 2022 and 2027.
- The population will expand at an annual average rate of 1 percent per year.
- By 2027, the Fresno County population will surpass 1,078,000 residents.

Population Growth

- The Fresno County population is expected to expand more rapidly than the California average between 2022 and 2027.
- Net migration is expected to be a meaningful contributor to population growth as residents relocate from Coastal California and elsewhere to buy affordable housing in Fresno County.

Unemployment and Inflation Rates

- The unemployment rate in Fresno County averaged 9.2 percent in 2021. An unemployment rate below 8.0 percent signifies a fully employed workforce in Fresno County.
- The unemployment rate is expected to average 6.1 percent in 2022 and 5.7 percent in 2023.

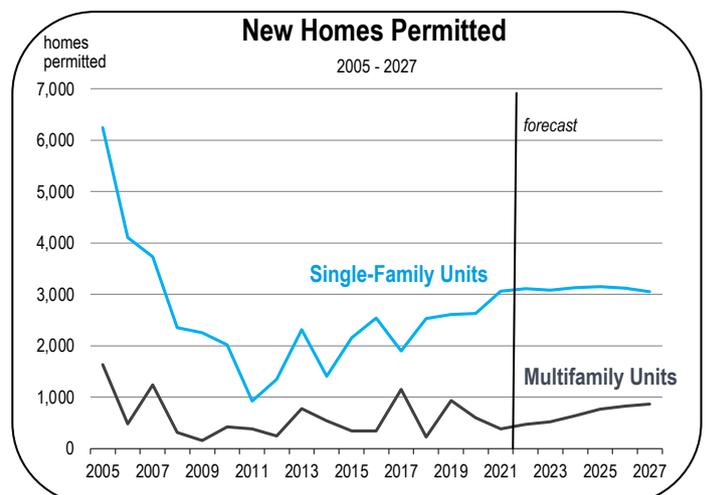
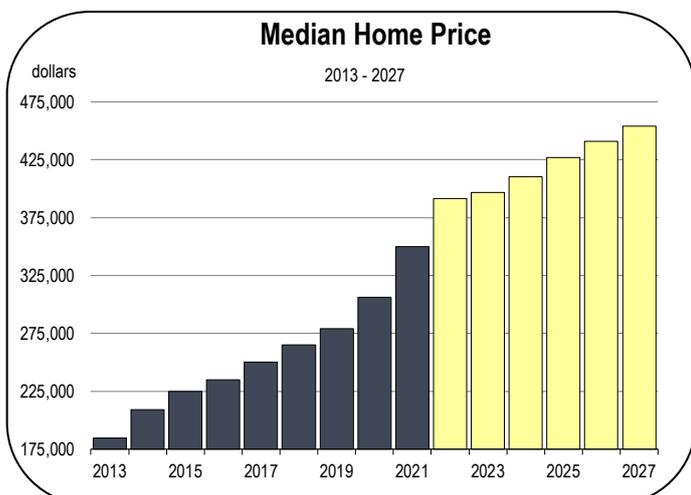


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- During 2022 and into 2023, there will be a number of factors that will contribute to higher inflation. The most prominent will be:
 - Record spending by consumers and the federal government during 2021 and 2022
 - Fractures in the global supply chain that raise the cost of production for many businesses
 - Sharp increases in the cost of housing and energy
 - Labor market recruitment challenges that force companies to raise wages
- Combined, these factors have pushed inflation to its highest rate in 40 years. Ultimately, inflation reduces the purchasing power of households and negatively impacts consumer confidence, limiting the growth potential of the economy in 2022.
- However, inflation will begin to decelerate after 2022 as supply chains and the labor force are restored, eventually falling to below 3 percent again by 2024.
- Homes in Fresno County are more affordable than homes across California, especially Coastal California. In Fresno County, the typical household spends less than 25 percent of its pre-tax income on mortgage payments or rent.
- Along Coastal California the typical household spends more than 35 percent of income on housing costs, and in very expensive markets like San Francisco, housing costs often account for more than 50 percent of income.
- From 2016 to 2021, an average of 2,400 new homes were started per year in Fresno County. Approximately 80 percent were single-family homes. Housing production is expected to average 3,400 homes per year from 2022 to 2027, consisting mostly of single-family homes.
- New homes will be built in many parts of the county, but activity will be heavily concentrated in downtown Fresno.
- The City of Fresno has a vibrant array of development projects in its pipeline.

Home Prices and New Housing Production

- In 2021 the median home value in Fresno County was \$350,000, an increase of 14.4 percent from the previous year. For single family homes, the median price was \$367,208 in 2021 and \$409,500 during the first 11 months of 2022.



Fresno County Economic Forecast

Southeast Development Area

- The Southeast Development Area is a 9,000-acre area that has the potential to accommodate 45,000 homes and 37,000 jobs by 2050. Plans for this areas' use were submitted in early 2022.
- The Central Southeast Area Specific Plan, a subdivision of the Southeast Development Area, is a brand new long-range planning document outlining a vision of growth for the City of Fresno. The plan covers the development of a 2,200-acre development southeast of downtown Fresno over the next 20-30 years.

West Area Neighborhoods Specific Plan

- The West Area Neighborhoods Specific Plan outlines the development and growth of the West Area in Fresno. The Specific Plan would allow the development of residential and non-residential uses. The land proposes includes schools, churches, parks, and open space.
- The West Area Neighborhoods Specific Plan is currently waiting for their plan and EIR to be heard by the Planning Commission. This is scheduled to occur in Summer 2022.

Costco Wholesale Corporation

- The Costco Wholesale Corporation has proposed to construct a new Costco facility with an attached tire center, detached gas station, and a drive-through car wash in the City of Fresno.
- The new Costco would be located at the northeast corner of the intersection of West Herndon Ave and North Riverside Boulevard. The Costco proposed site is 22.4 acres.
- The project is awaiting approval from the Fresno Planning Commission and City Council.

Downtown Fresno Projects

- Downtown Fresno has many development projects in its pipeline under various stages of planning:
 - The Clinton Avenue Apartments (78 units)
 - The Park at South Stadium (54 units)
 - Courtyard by Marriott (144-room)
 - The Monarch @ Chinatown (57 units)
 - The Villages at Broadway (25 units)



The Monarch in Chinatown, Downton Fresno

Fresno County Economic Forecast

Economic Indicators

2015-2021 History, 2022-2050 Forecast

	Population (people)	House- holds (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (billions)	Total Taxable Sales (billions)	Real Industrial Production (billions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production (billions)	Inflation Rate (percent)
2015	970,859	300.6	-1,222	2,496	780	\$38.9	\$9.2	\$14.2	\$5.8	\$47,829	10.2	\$7.9	1.4
2016	977,361	303.9	-2,158	2,877	805	\$40.2	\$9.6	\$14.2	\$6.0	\$47,892	9.5	\$7.2	2.3
2017	985,393	306.3	291	3,050	812	\$41.3	\$9.9	\$14.8	\$6.7	\$47,421	8.6	\$8.0	3.0
2018	993,965	309.2	1,389	2,759	829	\$43.1	\$10.4	\$15.4	\$6.5	\$47,308	7.6	\$8.6	3.7
2019	1,001,640	311.7	338	3,544	861	\$45.4	\$10.9	\$16.2	\$6.9	\$48,122	7.4	\$8.2	2.9
2020	1,008,860	314.4	414	3,223	874	\$48.5	\$11.5	\$17.0	\$6.3	\$50,114	11.3	\$8.3	1.8
2021	1,013,744	316.0	615	3,446	886	\$51.5	\$15.5	\$22.9	\$6.5	\$50,825	9.2	\$8.3	4.2
2022	1,021,943	319.1	1,403	3,573	906	\$55.0	\$16.3	\$24.2	\$6.6	\$50,132	6.1	\$8.5	7.3
2023	1,032,683	322.5	3,952	3,597	913	\$57.5	\$16.4	\$24.4	\$6.8	\$50,169	6.2	\$8.9	3.5
2024	1,044,305	326.0	4,883	3,763	913	\$59.5	\$16.4	\$24.4	\$6.7	\$50,134	6.3	\$8.9	2.3
2025	1,056,081	329.4	5,100	3,917	915	\$61.8	\$16.4	\$24.5	\$6.9	\$50,330	6.4	\$8.9	2.3
2026	1,067,332	332.9	4,638	3,952	921	\$64.3	\$16.5	\$24.6	\$7.0	\$50,670	6.4	\$8.8	2.3
2027	1,077,867	336.4	4,035	3,919	929	\$66.9	\$16.6	\$24.7	\$7.1	\$51,139	6.4	\$8.9	2.2
2028	1,087,877	339.9	3,547	3,849	936	\$69.7	\$16.7	\$24.9	\$7.1	\$51,609	6.4	\$9.0	2.2
2029	1,097,605	343.3	3,235	3,793	945	\$72.4	\$17.1	\$25.4	\$7.2	\$51,940	6.3	\$9.0	2.3
2030	1,107,136	346.7	3,061	3,758	953	\$75.1	\$17.5	\$26.0	\$7.3	\$52,276	6.2	\$9.1	2.2
2031	1,116,297	350.0	2,985	3,734	954	\$77.8	\$17.9	\$26.6	\$7.3	\$52,625	6.3	\$9.1	2.1
2032	1,125,131	353.3	2,936	3,715	954	\$80.6	\$18.3	\$27.3	\$7.4	\$52,867	6.4	\$9.2	2.3
2033	1,133,768	356.5	2,916	3,698	960	\$83.4	\$18.7	\$27.8	\$7.5	\$53,247	6.4	\$9.3	1.9
2034	1,142,066	359.8	2,901	3,682	972	\$86.3	\$19.2	\$28.5	\$7.6	\$53,604	6.4	\$9.4	2.1
2035	1,150,153	363.0	2,904	3,567	980	\$89.4	\$19.7	\$29.2	\$7.6	\$53,947	6.4	\$9.3	2.2
2036	1,158,000	366.1	2,920	3,453	983	\$92.7	\$20.3	\$30.2	\$7.7	\$54,142	6.4	\$9.4	2.6
2037	1,165,703	369.2	2,939	3,340	987	\$96.1	\$20.9	\$31.1	\$7.8	\$54,274	6.4	\$9.4	2.7
2038	1,173,169	372.1	2,946	3,328	989	\$99.5	\$21.5	\$32.0	\$7.8	\$54,477	6.4	\$9.5	2.5
2039	1,180,519	375.0	2,964	3,215	989	\$103.1	\$22.2	\$32.9	\$7.9	\$54,622	6.4	\$9.5	2.7
2040	1,187,648	377.9	3,001	3,203	985	\$106.7	\$22.8	\$33.8	\$7.9	\$54,780	6.4	\$9.6	2.6
2041	1,194,535	380.7	3,023	3,193	984	\$110.3	\$23.3	\$34.6	\$8.0	\$55,082	6.3	\$9.6	2.2
2042	1,201,293	383.5	3,062	3,282	983	\$114.0	\$23.8	\$35.4	\$8.1	\$55,431	6.3	\$9.6	2.1
2043	1,207,992	386.3	3,107	3,172	983	\$117.7	\$24.4	\$36.2	\$8.1	\$55,818	6.3	\$9.6	2.0
2044	1,214,663	389.1	3,154	3,143	986	\$121.4	\$24.9	\$36.9	\$8.2	\$56,253	6.3	\$9.6	1.8
2045	1,221,219	391.8	3,161	3,104	990	\$125.3	\$25.4	\$37.7	\$8.3	\$56,649	6.3	\$9.7	1.9
2046	1,227,740	394.5	3,184	3,067	994	\$129.2	\$26.0	\$38.6	\$8.3	\$56,980	6.3	\$9.7	2.0
2047	1,234,201	397.2	3,214	3,031	998	\$133.3	\$26.6	\$39.5	\$8.4	\$57,197	6.3	\$9.7	2.2
2048	1,240,552	399.8	3,244	2,997	1,002	\$137.4	\$27.3	\$40.5	\$8.4	\$57,342	6.3	\$9.8	2.3
2049	1,246,745	402.4	3,274	2,963	1,007	\$141.4	\$27.9	\$41.4	\$8.5	\$57,584	6.3	\$9.8	2.0
2050	1,252,748	405.0	3,303	2,904	1,011	\$145.6	\$28.6	\$42.4	\$8.5	\$57,796	6.3	\$9.8	2.1

Employment Sectors

2015-2021 History, 2022-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	(thousands of jobs)											
2015	371.8	47.3	15.0	25.4	12.3	51.1	13.1	31.8	3.9	60.0	31.4	68.7
2016	383.3	46.9	16.0	25.2	13.2	52.8	13.3	32.4	3.8	63.9	32.8	71.0
2017	390.2	46.1	17.4	25.6	14.1	52.9	13.8	31.1	3.6	67.2	33.8	72.6
2018	398.4	44.2	18.7	25.9	15.4	53.5	14.1	32.5	3.6	69.3	34.5	74.5
2019	407.5	44.1	19.0	26.2	16.6	53.4	14.3	34.6	3.4	72.5	35.7	75.2
2020	390.0	41.1	18.6	25.8	18.4	51.6	13.5	33.8	3.0	72.0	28.6	72.5
2021	398.1	40.3	19.8	26.3	19.4	53.8	13.1	32.1	3.0	75.1	32.5	70.8
2022	418.5	41.5	20.7	26.6	20.6	55.7	13.3	33.4	3.1	80.3	36.7	73.8
2023	426.8	42.5	21.1	26.9	21.9	55.2	13.5	34.1	3.2	81.6	38.6	75.1
2024	434.0	43.3	21.4	27.0	22.7	55.0	13.9	35.0	3.3	83.1	39.9	76.3
2025	438.3	44.0	21.6	27.0	23.5	54.7	13.9	35.6	3.3	84.3	40.6	76.6
2026	441.7	44.5	21.7	27.0	24.2	54.5	13.9	35.8	3.3	85.5	41.0	76.8
2027	445.0	45.0	21.9	27.0	24.7	54.3	13.9	36.0	3.3	86.7	41.3	77.2
2028	447.8	45.5	22.0	27.0	25.1	54.0	13.9	36.2	3.3	87.9	41.7	77.5
2029	450.5	45.8	22.1	27.0	25.4	53.8	13.9	36.3	3.3	88.9	42.2	77.8
2030	453.2	46.1	22.4	27.0	25.6	53.6	13.8	36.4	3.3	90.0	42.6	78.1
2031	455.5	46.3	22.3	27.0	25.9	53.4	13.8	36.6	3.3	91.2	43.1	78.3
2032	458.0	46.5	22.5	27.0	26.1	53.3	13.8	36.7	3.3	92.3	43.5	78.6
2033	460.2	46.7	22.5	27.0	26.3	53.1	13.8	36.8	3.3	93.4	43.9	78.8
2034	462.4	46.8	22.6	27.0	26.5	53.1	13.8	36.9	3.3	94.4	44.4	79.0
2035	464.6	46.9	22.8	27.0	26.6	53.0	13.8	37.0	3.3	95.4	44.8	79.1
2036	466.9	47.0	23.1	27.0	26.7	53.0	13.8	37.2	3.3	96.4	45.2	79.3
2037	469.0	47.1	23.3	27.0	26.9	53.0	13.8	37.3	3.4	97.3	45.7	79.5
2038	471.1	47.1	23.5	27.0	27.0	53.0	13.8	37.4	3.4	98.3	46.1	79.6
2039	472.7	47.2	23.4	27.0	27.1	52.9	13.8	37.5	3.4	99.2	46.5	79.7
2040	474.3	47.2	23.2	26.9	27.2	52.9	13.8	37.6	3.4	100.0	46.9	79.9
2041	475.9	47.2	23.2	26.9	27.2	52.9	13.7	37.7	3.4	100.9	47.4	80.0
2042	477.4	47.2	23.1	26.9	27.3	52.8	13.7	37.8	3.4	101.7	47.8	80.2
2043	478.9	47.2	23.0	26.9	27.4	52.8	13.7	37.9	3.4	102.5	48.2	80.3
2044	480.4	47.2	22.9	26.9	27.4	52.8	13.7	38.0	3.4	103.3	48.7	80.5
2045	481.8	47.2	22.8	26.9	27.5	52.8	13.7	38.1	3.4	104.0	49.1	80.6
2046	483.3	47.2	22.8	26.9	27.5	52.8	13.7	38.2	3.4	104.7	49.5	80.8
2047	484.7	47.1	22.7	26.9	27.6	52.7	13.7	38.3	3.4	105.4	49.9	80.9
2048	486.0	47.1	22.6	26.9	27.6	52.7	13.7	38.3	3.4	106.1	50.4	81.1
2049	487.4	47.0	22.6	26.9	27.7	52.7	13.7	38.4	3.4	106.8	50.8	81.3
2050	488.7	47.0	22.5	26.9	27.7	52.7	13.7	38.5	3.4	107.4	51.2	81.4

Fresno County Economic Forecast

Socioeconomic Indicators

